

Message Text

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ACTION NEA-10

INFO OCT-01 ISO-00 SS-15 NSC-05 L-03 CAB-02 CIAE-00

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FM AMEMBASSY KABUL

TO SECSTATE WASHDC PRIORITY 3849

C M N F I D E N T I A L KABUL 5278

FOR NEA/PAB

E.O. 11652: GDS

TAGS: EINV, AF, US

SUBJ: PANAM/ARIANA RELATIONS

1. ARIANA BOARD MEETING HAS ENDED AND CHARLES TRIPPE AND ERSKINE RICE HAVE DEPARTED KABUL ENROUTE TO THE U.S.
2. THE MEETING SEEMS TO HAVE GONE REASONABLY WELL. CHARLES BENNETT, THE EXECUTIVE VICE PRES OF ARIANA (THE KEY PAN AM MAN HERE) WAS APPOINTED ACTING COMPTROLLER, THUS ASSURING CONTINUED PANAM CONTROL OF CORPORATE RESOURCES FOR THE TIME BEING.
3. TRIPPE, RICE AND FRANK LOY (WASHINGTON LAWYER WHO IS ON ARIANA BOARD) PRESENTED RESOLUTION TO ARIANA ASKING THAT ARIANA DISTRIBUTE AT LEAST A PORTION OF THE SURPLUS CASH THE COMPANY NOW HOLDS IN DIVIDENTDS TO ENABLE PANAM TO OBTAIN APPROXIMATELY \$2 MILLION OVER THE NEXT TWO CALENBAR YEARS. IF AFGHAN BOARD MEMBERS AGREE TO THIS, PAN/ARIANA RELATIONS WILL HAVE STABILIZED AND PANAM WILL MAINTAIN ITS PRESENT POSITION AND INTEREST IN ARIANA.
4. IF AFGHAN MEMBERS DO NOT AGREE, TRIPPE, RICE AND LOY HAVE INDICATED THEY RECOMMEND THAT PANAM SELL THE MAJOR

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PART OF THEIR HOLDINGS IN ARIANA (ALL BUT ABOUT 10 PERCENT)

ANB REDUCE THEIR RELATIONSHIP TO A BARE MINIMUM. WHEN EMBOFFS WERE GIVEN BRIEFING ON THIS ALTERNATIVE, PAN AM REPRESENTATIVES WERE URGED TO AVOID PRECIPITOUS ACTIONS IN THIS REGARD SO THAT TRANSITION WOULD BE AS ORDERLY AS POSSIBLE AND THAT ARIANA COULD BE ENCOURAGED TO MAINTAIN PAN AM SUPPORT IN MAINTENANCE AND QUALITY CONTROL.

5. TRIPPE, RICE AND LOY ARE STILL VERY UNHAPPY ABOUT THE BEHAVIOUR OF ARIANA PRESIDENT NAJEEB AND TOLD US THEY HAVE DISCOVERED ADDITIONAL EVIDENCE THAT NAJEEB IS TRYING TO UNDERMINE PANAM POSITION, EVEN IN BASIC OPERATIONAL MATTERS. (FYI - IN ONE INSTANCE A PARTICULAR PRE-TAKEOFF SAFETY PROCEDURE WAS NOT FOLLOWED AND THE SUPERVISOR RESPONSIBLE WAS TAGGED FOR DISCIPLINARY ACTION. ACCORDING TO CHARLIE BENNETT, PRESIDENT NAJEEB NOT ONLY PREVENTED DISCIPLINARY ACTION, BUT PROMOTED THE INDIVIDUAL TO A HIGHER POSITION. END FYI).

6. I HAVE HAD AN OPPORTUNITY TO REVIEW THIS SUBJECT IN SOME DETAIL WITH DE FACTO FOREIGN MINISTER WAHEED ABDULLAH. I STRESSED TO MR ABDULLAH THE IMPORTANCE WE ASCRIBE TO MAINTAINING A PRODUCTIVE, POSITIVE RELATIONSHIP BETWEEN PAN AM AND ARIANA ANB SAID THAT, WITHOUT WANTING TO GET INVOLVED IN BUSINESS TRANSACTIONS, IT SEEMED TO ME THAT IF THE BIVIDENTS COULD BE PAID ACCORDING TO THE TERMS OF THE DRAFT RESOLUTION, THIS WOULD BE THE BEST WAY OF PRESERVING THE PRESENT GOOD RELATIONSHIP. I ALSO TOLD ABDULLAH IT WAS MY IMPRESSION THAT SOME OF THE PERSONNEL DIFFICULTIES WITHIN ARIANA HAD NOT BEEN SOLVED AND THAT THERE WAS STILL AN ELEMENT ON THE AFGHAN SIDE WHICH WAS TRYING TO UPSET THE PRESENT GOOD RELATIONSHIP BETWEEN PANAM AND ARIANA. WITHOUT NAMING NAJEEB, I TOLD ABDULLAH ABOUT THE MATTER OF THE SAFETY PROCEDURE NOT BEING FOLLOWED AND SAID THAT IN VIEW OF THE REPUTATION OF THE AIRLINE AND THE HIGH LEVEL OF PEOPLE WHO TRAVEL ON ARIANA (FYI- PRESIDENT DAOUD USED ARIANA FOR AT LEAST TWO TRIPS ABROAD THIS YEAR), I THOUGHT THAT THIS TYPE OF DISRUPTION WAS SOMETHING TO WHICH THE GOVERNMENT OF AFGHANISTAN (GOA) MIGHT WANT TO GIVE SOME THOUGHT.

7. I TOLD ABDULLAH IT WAS MY IMPRESSION THAT SULTAN GHAZI,
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CHAIRMAN OF THE AFGHAN AIR AUTHORITY, WAS FULLY BRIEFED ON THE CONTINUING PROBLEMS IN ARIANA.

8. ABDULLAH EXPRESSED BEEP APPRECIATION FOR THE BRIEFING ANB SAID HE WOULD CONTACT GHAZI BEFORE HE (ABDULLAH) DEPARTED FOR MOSCOW ON AUGUST 18. ABDULLAH REITERATED, AS HE DID TO THE AMBASSADOR, THAT THE GOA APPRECIATES THE ROLE PAN AM PLAYS IN AFGHANISTAN AND WANTS TO PRESERVE THE ROLE AS IT

IS NOW.

9. ACTION REQUESTED BY NEA/PAB: PLEASE CONTACT CHARLES TRIPPE
IN NEW YORK ANB DELIVER SUBSTANCE OF PARAS 6, 7 AND 8 ABOVE.

9. WE WILL BE INTERESTED IN ANY DEPARTMENT VIEWS OR
PERSPECTIVES AFTER NEA HAS TALKED TO PANAM.
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